



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-33-2020
April 2, 2020

Revised: New SBA and Treasury Programs Available for Small Business Relief

Summary: The FDIC is advising financial institutions of multiple forms of relief available in the Coronavirus Aid, Relief, and Economic Security (CARES) Act to small businesses through programs administered by the Small Business Administration (SBA), with the backing of the U.S. Department of the Treasury (Treasury). The FDIC encourages financial institutions to consider using these programs in a prudent manner as they actively work with small business borrowers with less financial flexibility to weather near-term operational challenges due to the Coronavirus Disease 2019 (referred to as COVID-19).

Statement of Applicability to Institutions under \$1 Billion in Total Assets: This Financial Institution Letter (FIL) applies to all FDIC-supervised institutions.

Distribution:

FDIC-Supervised Banks

Suggested Routing:

Chief Executive Officer
Chief Credit Officer
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Related Topics:

[Interagency Statement on Pandemic Planning](#)

[FDIC Statement on Financial Institutions Working with Customers Affected by the Coronavirus and Regulatory and Supervisory Assistance](#)

[Interagency Statement on Loan Modifications by Financial Institutions Working with Customers Affected by the Coronavirus](#)

[FAQs for Financial Institutions Affected by the Coronavirus](#)

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Highlights:

- The FDIC encourages financial institutions to consider the relief available to small businesses through new programs administered by the SBA, and more fully described at <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>.
- These SBA programs include:
 - The Economic Injury Disaster Loan program under Section 7(b) of the Small Business Act, which provides funds to small businesses to cover economic injury resulting from the disaster, such as a loss of revenue; and
 - The Paycheck Protection Program, which provides loans to encourage certain qualified small businesses to retain employees through the COVID-19 pandemic and includes loan forgiveness subject to certain conditions.
- The SBA is streamlining its processes to enable more financial institutions to use these programs for small business borrowers affected by COVID-19.
- Beginning April 3, 2020, the FDIC will post on our [Coronavirus \(COVID-19\) webpage](#) updated program information from the SBA for financial institutions that want to learn how to access its new programs.
- Information regarding the [Treasury's small business loan programs](#) is available.
- The FDIC will not criticize financial institutions' good faith efforts to prudently use the SBA and Treasury programs to work with small business borrowers affected by COVID-19.